

Standard Summary Project Fiche for the Transition Facility

1. Basic Information

- 1.1 CRIS Number:** 2004/006-245-06-02
1.2 Title: Evaluation of EU-funded measures
1.3 Sector: Various
1.4 Location: Latvia

2. Objectives

2.1 Overall Objective(s):

To strengthen sound financial management of the Transition Facility Funds

2.2 Project purpose:

To provide for interim evaluation as a management tool of the Transition Facility.

2.3 Justification

The Comprehensive Monitoring Report on Latvia's preparations for membership (November 2003) states:

The necessary administrative capacity to manage Community funds remains to be substantially reinforced in order to fully meet the requirements for financial control and internal audit.

3. Description

3.1 Background and justification:

The financial *acquis* of Chapter 28 and related principles of Sound Financial Management require Accession Countries to build the capacity for monitoring and evaluation of Community funds, including pre-accession funding. According to the Implementing Rules of Financial Regulation (1605/2002 of 25 June 2002) programs shall be periodically evaluated during their implementation, to allow the evaluation findings to take into account for the decision making process.

Starting from the mid 2003 the National Aid Coordinator (the Monitoring Division of the EU Funds Department of the Ministry of Finance) took over the responsibility for organisation of the Interim Evaluation process in Latvia ensuring the decentralisation of the evaluation function. At the beginning of 2004 it is foreseen to contract the independent external Interim Evaluation Cells who will be responsible for preparation of the Interim Evaluation reports. Starting from January, 2004 the main responsibility of the EU Funds Department of the Ministry of Finance is to perform the functions of the Managing Authority of the EU Funds. EU Funds Department will also continue to fulfill the functions of the National Aid Coordinator.

The evaluation procedure is basically described in the Interim Evaluation guide elaborated by DG Enlargement of the EC in 2000. The Interim Evaluation guide defines the operational principles of the Interim Evaluation exercise, whilst the report template and the guidance note define the structure and content of the IE reports. The IE reports review only on-going programs during their validity period or at the latest up to twelve months after the end of the commitment period.

The level of assistance together with the constant efforts to maximise the efficiency of the Community funds (and co-financing state funds) brings the need to put more emphasis on evaluating design and implementation of projects and apply lessons learned. For the years 2004 to 2006, however, the interim

evaluation done under the Project shall focus on the implementation of the Transition Facility measures. Monitoring and evaluation will ensure the quality and effectiveness of implementation of the projects.

3.2 Linked activities:

- Multi country “Phare assessment scheme” project (ZZ0003) (In November 2002 closed for contracting), covering the interim evaluation managed by the EC of Phare assistance.
- Phare 2003 National program project 2003/004-979-08-04 “Institution Building Facility” foresees assistance to provide evaluation on the implementation of Phare pre-accession aid and provide recommendations for corrective actions and, where appropriate, for future project/programme design (relevant to Structural Funds) leading to minimisation of possible shortfalls in implementation and maximising the Project impact. Within the project assistance to Latvia in supporting the development of a National Evaluation Strategy for setting up evaluation capacity at National level will be provided as well as transfer of know-how in terms of monitoring and evaluation to the country’s administration. The implementation of the project will start in 2004. Current project is continuation of the Phare 2003 project providing further financing of independent evaluators.

3.3 Results:

- Regular and systematic interim evaluation of Transition Facility programmes carried out
- Appropriate conclusion drawn and recommendations formulated based on the analysis of the gathered information.

3.4 Activities:

- To produce a number of sectoral evaluation reports in the sectors agreed by Joint Monitoring Committee (JMC) in compliance with the revised JMC Mandate. Sectoral reports should include evaluation on the implementation of the ongoing Transition Facility projects in particular sector and should provide recommendations for corrective actions and, where appropriate, for future project/programme design leading to minimisation of possible shortfalls in implementation and maximising the project impact.
- To produce Country assessment Reports summarizing the achievements of the Phare and Transition Facility programmes, to be submitted to the JMC meetings, in accordance with the revised JMC mandate.

In preparing the evaluation reports, the Contractor will be expected to consult on an ongoing basis with the NAC service, relevant implementation bodies and beneficiaries. The basic reference documents are the Commission Decisions and the Project Fiches, on the basis of which Terms of Reference, Technical Specifications, Twinning Covenants, Sectoral monitoring reports etc. Are elaborated; plus relevant project reports.

Means:

Service contract:

- Team Leader (minimum 15 years of experience with EC funded programmes in Member States and/or CCs) responsible for the project (estimated input: 18 m/m);
- Pool of international and local experts-evaluators in different areas, such as: social policy and employment, consumer and health protection, radioactive waste management, justice and home affairs, statistics, free movement of goods, agriculture, environment (estimated input: 18 m/m)

Qualifications and skills:

- ✓ fluency in English with excellent drafting capability and with at least a Masters qualification;
- ✓ good communication skills and experience in consultancy or advising activities.

General professional experience:

- ✓ experience in social policy and employment, consumer and health protection, radioactive waste management, justice and home affairs, statistics, free movement of goods, agriculture, environment;
- ✓ professional experience in public administration, programming, project management, implementation, monitoring and evaluation;
- ✓ professional experience in management or evaluation of EU funded programmes;
- ✓ professional experience in EU matters, preferably in EC funded programmes in the Member States;
- ✓ experience with performance audit, economic and impact studies.

Specific professional experience:

- ✓ capability to work in Latvian language;
- ✓ familiarity with EC procedures and terminology, experience in EC would be welcome.

3.5. Lessons learned

The Latvia Country Phare Evaluation Review report (CPER, March 2004) draws the following lesson on interim evaluation in Latvia: "Interim Evaluation has not had as much impact as in other countries. In view of this, the NAC needs to devote more attention to promoting the awareness of the benefits of sound financial management arising from an effective uptake of evaluation results. The interim evaluation process needs to be properly integrated into the project cycle."

The Ad-Hoc Report on Transition towards Monitoring and Evaluation of the Structural and Cohesion Funds Programmes prepared by OMAS Consortium in March 2001 under request of DG Enlargement provides the following recommendation, which is relevant to this proposal. "The public authorities of the Candidate Countries should be further entrusted with the responsibilities for planning programme evaluations, producing relevant terms of reference, selecting independent evaluators, organising and monitoring the evaluation exercises, disseminating the evaluation conclusions to the relevant programme stakeholders, and taking any necessary remedial actions on the basis of the evaluation recommendations."

The Phare ex post evaluation of country support allocated in the years 1997-1998, completed by the European Commission, DG Enlargement, in March 2003, already supported the building of evaluation capacity in the accession countries by involving local consultants from the partner countries. The local evaluators carried out their work in a learning-by-doing approach with the support of the Consortium contracted by the Commission. One lesson learned from this evaluation exercise was the following. "The latest contacts with the country evaluators show that the skills they acquired may not always strengthen the capacity of the country for two reasons. First, about half acted as individuals, which means that their learning may not be retained in a stable organisation. Second, few organisations involved in this exercise felt capable of taking the lead in an evaluation contract in the coming years. This may be because they have not been given the opportunity to play a leading role in the country evaluations. Another factor is that new calls for tenders establish high barriers to the entry of national firms into the evaluation market, especially by imposing high demands in terms of references and turnover in previous evaluation activities."

4. Institutional Framework

The main beneficiary of the Technical assistance will be Ministry of Finance - EU Funds Department. In the implementation of the component will be involved following bodies:

- Internal Audit Department,
- Projects Evaluation Department,
- National Authorizing Officer's Task Execution Coordination Department
- Other ministries and bodies concerned

Project Steering Committee will be established to monitor project implementation. The Steering Committee will comprise representatives from involved bodies within Ministry of Finance.

The Steering Committee will be led by Senior Programme Officer and it will review and approve the project reports and make recommendations in regard of the project activities for the following period.

5. Detailed Budget

	Transition Facility	Support				
	Investment Support	Institution Building	Total TF (=I+IB)	National Cofinancing*	IFI *	TOTAL
Service contract for evaluation of Transition facility programs		300 000	300 000	30 000*		330 000
Total		300 000	300 000	30 000		330 000

** parallel co-financing - will be applied for covering of office costs for experts, infrastructure facilities and travel costs for national counterparts.*

6. Implementation Arrangements

6.1 Implementing Agency

Implementing Agency of the project will be the Central Finance and Contracting Agency of the Ministry of Finance (CFCA). CFCA will be responsible for the financial and administrative management of the project. Procurement will be carried out by the CFCA according to Part 1, Title V FR ensuring free access, fair competition and transparency.

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Senior Programme Officer: - Mr. Gints Freimanis, Deputy State Secretary of Ministry of Finance
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6.3 Non-standard aspects

There will be no non-standard aspects regarding implementation of the project. Ratio: if during project implementation the project cost for some reasons will decrease, the Transition Facility financing will also decrease proportionally.

6.4 Contracts

Service contract (TA for evaluation of TF programs): 300 000 EUR (parallel co-financing)

7. Implementation Schedule

7.1 Start of tendering/call for proposals

TA for evaluation of TF programs: IV quarter 2004

7.2 Start of project activity

TA for evaluation of TF programs: II quarter 2005

7.3 Project Completion

TA for evaluation of TF programs: II quarter 2006

8. Equal Opportunity

Equal opportunity for men and women will be guaranteed.

9. Environment

Not applicable.

10. Rates of return

Not applicable.

11. Investment criteria

Not applicable.

12. Conditionality and sequencing

- Necessary resources provided by the state budget before the start of the project;
- Implementation of component “*Technical assistance for evaluation of Phare programs and know – how transfer*” of Phare 2003 project 2003/004-979-08-04 “Institution Building Facility” has been started at latest at the IIIrd quarter of of 2004.

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory)

Transition Facility log frame

LOGFRAME PLANNING MATRIX FOR Project			
Evaluation of EU-funded measures		Contracting period expires 15 December 2006	Disbursement period expires 15 December 2007
		Total budget : 330 000 EUR	TF budget : 300 000 EUR
Overall objective	Objectively verifiable indicators	Sources of Verification	
To strengthen sound financial management of the Transition Facility Funds	<ul style="list-style-type: none"> - A debriefing meeting were organised within a month after the issue of every IE report. - All recommendations of all EI reports were implemented by the deadlines set out in the recommendation tables. 	<ul style="list-style-type: none"> - SMSC and JMC meeting minutes - National funds reports - Commission reports on contracting/disbursement rates 	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
To provide for interim evaluation as a management tool of the Transition Facility	<ul style="list-style-type: none"> - All monitoring sectors have been covered by at least an interim evaluation every year. - All IE reports included a table of recommendations. - All IE reports complied with the minimum quality control requirements. 	<ul style="list-style-type: none"> • SMSC and JMC meeting minutes 	The identified tasks are completed in time and effectively
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> - Regular and systematic interim evaluation of Transition Facility programmes carried out. - Appropriate conclusion drawn and recommendations formulated based on the analysis of the gathered information 	<ul style="list-style-type: none"> - The work plan of the external evaluator is prepared by the beginning of each year and agreed upon by the JMC. - All the reports foreseen in the agreed work plan are carried out in time. 	<ul style="list-style-type: none"> • Sectoral evaluation reports • Horizontal evaluation reports • Evaluation debriefing meeting minutes 	<ul style="list-style-type: none"> - the beneficiary institutions of the projects that will be evaluated will co-operate with evaluators to achieve maximum benefit from the evaluation process - For the sectoral evaluation it is assumed that the Senior Programme Officer (SPO) provide an appropriate sectoral monitoring report according to the sectoral scheme set out by the JMC.
Activities	Means		Assumptions
<ul style="list-style-type: none"> - To produce a number of sectoral evaluation reports in the sectors agreed by Joint Monitoring Committee. Sectoral reports should include evaluation on the implementation of all ongoing Transition Facility programs projects in particular sector and should provide recommendations for corrective actions and, where appropriate, for future project/programme design leading to minimisation of possible shortfalls in implementation and maximising the project impact. - To produce a number of horizontal evaluation reports on themes, which go across several sectors such as Twinning. The themes should be agreed by Joint Monitoring Committee. - To produce a Country assessment report summarizing the achievements of the Transition Facility measures to be submitted to JMC meeting at the end of the particular year. - In preparing the evaluation reports, the Contractor will be 	Service contract: <ul style="list-style-type: none"> o Team Leader responsible for the project; o Pool of international and local experts-evaluators in different areas, such as: macroeconomics and development, structural adjustment, support to businesses/SME, human resource development and employment, infrastructure projects, grant schemes, regional development 		<ul style="list-style-type: none"> - Evaluator would be able to provide the staff having on-hands experience in dealing with the subject

<p>expected to consult on an ongoing basis with the NAC service, relevant implementation bodies and beneficiaries. The basic reference documents are the Financing Memoranda with the Project Fiches, out of which Terms of Reference, Technical Specifications, Twinning Covenants, Sectoral monitoring reports etc.; plus relevant project reports.</p>			
	<p>Preconditions</p> <ul style="list-style-type: none"> - Necessary resources provided by the state budget before the start of the project; - Implementation of component “<i>Technical assistance for evaluation of Phare programs and know –how transfer</i>” of Phare 2003 project 2003/004-979-08-04 “Institution Building Facility” has been started at latest at the IIIrd quarter of of 2004. 		

ANNEX 2

Detailed implementation chart

Component	2004.						2005.												2006.											
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
TA for evaluation of TF programs				T	T	T	T	T	T	I	I	I	I	I	I	I	I	I	I	I	I									

D: Design

T: Tendering and contracting

I: Implementation

21May 2004.

Annex 3

CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

Contracts		06/ 2004	09/ 2004	12/ 2004	03/ 2005	06/ 2005	09/ 2005	12/ 2005	03/ 2006	06/ 2006	09/ 2006	12/ 2006
TA for evaluation of TF programs	Contracted				300 000							
	Disbursed				180 000		225 000		300 000			